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Security Council Committee established pursuant to resolution 1737 (2006)

Note verbale dated 9 August 2010 from the Permanent Mission of Mexico to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Mexico to the United Nations has the honour to refer to paragraph 31 of Security Council resolution 1929 (2010) concerning the Islamic Republic of Iran.

In that connection, the Permanent Mission of Mexico transmits herewith the report of its Government (see annex).

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Annex to the note verbale dated 9 August 2010 from the Permanent Mission of Mexico to the United Nations addressed to the Chairman of the Committee

Report of the Government of Mexico to the Security Council Committee established pursuant to resolution 1737 (2006) concerning the Islamic Republic of Iran, in accordance with Security Council resolution 1929 (2010)

Mexico believes that the vertical and horizontal proliferation of weapons of mass destruction, and in particular nuclear weapons, constitutes one of the most serious threats to international peace and security.

Mexico is firmly committed to non-proliferation and disarmament, as well as the peaceful uses of nuclear energy under the supervision of the International Atomic Energy Agency (IAEA) and in accordance with the provisions of the Treaty on the Non-Proliferation of Nuclear Weapons, and is of the view that the Islamic Republic of Iran must comply without conditions with Security Council resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008) and 1929 (2010).

Mexico submits the following report with a view to providing the Committee with the tools needed to monitor and verify compliance with the provisions of resolution 1929 (2010).

In paragraph 31 of resolution 1929 (2010), the Security Council decided that, within 60 days, all States should report to the Committee on the national measures they had taken to implement the provisions of the resolution.

In that regard, it is reported that, in accordance with article 133 of the Political Constitution of the United Mexican States, the Charter of the United Nations is part of the supreme law of the Union. As Article 25 of the Charter establishes that the Members of the Organization have agreed to accept and carry out the decisions of the Security Council, resolution 1929 (2010) is binding for the Mexican Government under its Constitution.

Details are given below of the measures adopted in relation to the various obligations set out in resolution 1929 (2010) and the applicable legal framework.

Commercial activity

> "7. ... Iran shall not acquire an interest in any commercial activity in another State involving uranium mining, production or use of nuclear materials and technology as listed in INFCIRC/254/Rev.9/Part 1, in particular uranium-enrichment and reprocessing activities, all heavy-water activities or technology related to ballistic missiles capable of delivering nuclear weapons, and further decides that all States shall prohibit such investment in territories under their jurisdiction by Iran, its nationals, and entities incorporated in Iran or subject to its jurisdiction, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them."

Mexico maintains a careful record of nuclear materials through its National Nuclear Safety and Safeguards Commission. The Commission has reported that, to date, it has no record of any requests for the import from and export to the Islamic Republic of Iran of nuclear or radioactive materials or nuclear equipment.

As for missiles, Mexico does not produce such weapons and does not engage in activities related to ballistic missiles capable of delivering nuclear weapons.

> "8. ... All States shall prevent the direct or indirect supply, sale or transfer to Iran, from or through their territories or by their nationals or individuals subject to their jurisdiction, or using their flag vessels or aircraft, and whether or not originating in their territories, of any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel, including spare parts, or items as determined by the Security Council or the Committee established pursuant to resolution 1737 (2006) ("the Committee"), decides further that all States shall prevent the provision to Iran by their nationals or from or through their territories of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel, and, in this context, calls upon all States to exercise vigilance and restraint over the supply, sale, transfer, provision, manufacture and use of all other arms and related materiel."

The Ministry of Defence, which is the sole Mexican authority responsible for the marketing of weapons, has indicated that there is no commercial-military relationship with or training provided to individuals or entities associated with Iran. Furthermore, in the event of a future request for or attempt at the marketing of a prohibited product, that authority would be responsible for monitoring and denying permits for trade in and transport and storage of the weapons referred to in the relevant resolutions.

In addition to the responsibilities of the aforementioned Ministry, the Government of Mexico is enforcing the embargo against the Islamic Republic of Iran and prohibits the acquisition and delivery of items subject to the provisions of Security Council resolutions 1737 (2006), 1747 (2007), 1803 (2008), 1835 (2008) and 1929 (2010) by means of an administrative agreement. This agreement is consistent with the Constitution and allows the President of the Republic, or the Ministry of Foreign Affairs or the Ministry of Economic Affairs acting on his behalf, to ban exports or imports of goods.

The agreement was published in the Official Gazette and, in its article 10, prohibits the export to or import from Iran of various items that are subject to sanctions imposed by the Security Council.

Under Mexican law, the provisions set out in the agreement referred to are a matter of public policy and apply throughout the national territory, that is, compliance is obligatory for all physical or legal persons that plan to export or import any of the items referred to in that document.

"9. *Decides* that Iran shall not undertake any activity related to ballistic missiles capable of delivering nuclear weapons, including launches using ballistic missile technology, and that States shall take all necessary measures to prevent the transfer of technology or technical assistance to Iran related to such activities."

As mentioned previously, Mexico does not produce such weapons and does not engage in activities related to ballistic missiles capable of delivering nuclear weapons.

Prohibition of travel and transit of persons

"10. *Decides* that all States shall take the necessary measures to prevent the entry into or transit through their territories of individuals designated in Annex C, D and E of resolution 1737 (2006), Annex I of resolution 1747 (2007), Annex I of resolution 1803 (2008) and Annexes I and II of this resolution, or by the Security Council or the Committee pursuant to paragraph 10 of resolution 1737 (2006), except where such entry or transit is for activities directly related to the provision to Iran of items in subparagraphs 3 (b) (i) and (ii) of resolution 1737 (2006) in accordance with paragraph 3 of resolution 1737 (2006), underlines that nothing in this paragraph shall oblige a State to refuse its own nationals entry into its territory, and decides that the measures imposed in this paragraph shall not apply when the Committee determines on a case-by-case basis that such travel is justified on the grounds of humanitarian need, including religious obligations, or where the Committee concludes that an exemption would otherwise further the objectives of this resolution, including where Article XV of the IAEA Statute is engaged."

In that regard, the Ministry of the Interior and the National Migration Institute, exercising the powers conferred upon the latter by article 37, sections V and VII, and article 38 of the General Population Act, and article 106 of the regulations of that Act, have issued migration alerts for the individuals listed in sections C, D and E of the annex to resolution 1737 (2006), annex I to resolution 1747 (2007), annex I to resolution 1803 (2008) and annexes I and II to resolution 1929 (2010).

The National Migration Institute, consistent with the Manual of Immigration Criteria and Procedures, stipulates that the Mexican immigration authorities shall admit non-nationals into the national territory only after consulting the migration alerts module of the Integrated System for Immigration Operations for non-nationals with a negative history or against whom particular allegations have been made by the public or national security authorities.

Nevertheless, the Government of Mexico cannot comply with this provision unless it has comprehensive information on the individual subject to the travel ban. Mexico therefore requests the Committee to submit the name, date of birth and nationality of each individual subject to sanctions.

Financial assets and economic resources

"11. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the individuals and entities listed in Annex I of this resolution and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, and to any individuals and entities determined by the Council or the Committee to have assisted designated individuals or entities in evading sanctions of, or in violating the provisions of, resolutions 1737 (2006), 1747 (2007), 1803 (2008) or this resolution."

"12. *Decides* that the measures specified in paragraphs 12, 13, 14 and 15 of resolution 1737 (2006) shall apply also to the Islamic Revolutionary Guard Corps (IRGC, also known as "Army of the Guardians of the Islamic Revolution") individuals and entities specified in Annex II, and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, and calls upon all States to exercise vigilance over those transactions involving the IRGC that could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems."

In that regard, at the plenary meeting of the Financial Action Task Force on money-laundering, which was held in Amsterdam in June 2010, Mexico supported the development of guidance on implementation of resolution 1929 (2010).

Transfer of dual-use items, materials, equipment, goods and technology

"13. *Decides* that for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of resolution 1737 (2006), the list of items in S/2006/814 shall be superseded by the list of items in INFCIRC/254/Rev.9/Part 1 and INFCIRC/254/Rev.7/Part 2, and any further items if the State determines that they could contribute to enrichment-related, reprocessing or heavy water-related activities or to the development of nuclear weapon delivery systems, and further decides that for the purposes of the measures specified in paragraphs 3, 4, 5, 6 and 7 of resolution 1737 (2006), the list of items contained in S/2006/815 shall be superseded by the list of items contained in S/2010/263."

The Government of Mexico takes note of the obligation to replace the lists of prohibited materials for the relevant purposes.

In addition, the Ministry of Economic Affairs reports that such measures are already specified in article 10 of the aforementioned administrative agreement, which prohibits the export to or import from Iran of various items. Under the administrative agreement, the Tax Administration Service and the General Customs Administration are on permanent alert to prevent the import and export of prohibited items.

Interception of cargo

> "14. *Calls upon* all States to inspect, in accordance with their national authorities and legislation and consistent with international law, in particular the law of the sea and relevant international civil aviation agreements, all cargo to and from Iran, in their territory, including seaports and airports, if the State concerned has information that provides reasonable grounds to believe the cargo contains items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, for the purpose of ensuring strict implementation of those provisions."
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> "15. *Notes* that States, consistent with international law, in particular the law of the sea, may request inspections of vessels on the high seas with the consent of the flag State, and calls upon all States to cooperate in such inspections if there is information that provides reasonable grounds to believe the vessel is carrying items the supply, sale, transfer, or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of this resolution, for the purpose of ensuring strict implementation of those provisions."

Cargo inspection requirements at seaports and airports, and on ships and aircraft, both in Mexican territory and on the high seas, in connection with the sanctions imposed by resolution 1929 (2010), are subject to the following legal framework:

- Federal Civil Service Organization Act;
- Federal Oceans Act;
- Mexican Navy Organization Act;
- United Nations Convention on the Law of the Sea (1982);
- Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (2005);
- International Ship and Port Facility Security (ISPS) Code, with reference to chapter XI-2 of the International Convention for the Safety of Life at Sea (1994).

As for the administrative framework, a 2008 coordination and cooperation agreement between the Ministry of the Navy and the General Customs Administration provides for the implementation of monitoring, surveillance, protection and security measures in special tax areas and ports in Mexico.

In compliance with Security Council resolutions, the General Customs Administration is on permanent alert to prevent the import and export of prohibited items.

In order to prevent the trafficking of any prohibited items, the General Customs Administration has set up non-intrusive inspection equipment at various checkpoints in Mexico. Furthermore, Mexico has signed a memorandum of understanding with the United States of America on cooperation for the prevention

of illicit trafficking in nuclear and other radioactive materials. That cooperation has helped Mexico to better detect, intercept and discourage illicit trafficking in special nuclear and other radioactive materials through the supply of equipment, capacity-building and technical support. At the same time, it has facilitated international trade through the use of non-intrusive inspections (a tool used to inspect transport and/or goods that does not require containers to be opened) to detect illicit goods that enter or leave Mexican territory.

This technology is currently being used in the four largest seaports in Mexico.

Bunkering services

> "18. *Decides* that all States shall prohibit the provision by their nationals or from their territory of bunkering services, such as provision of fuel or supplies, or other servicing of vessels, to Iranian-owned or -contracted vessels ... if they have information that provides reasonable grounds to believe they are carrying items the supply, sale, transfer, or export of which is prohibited ... unless provision of such services is necessary for humanitarian purposes or until such time as the cargo has been inspected, and seized and disposed of if necessary, and underlines that this paragraph is not intended to affect legal economic activities."

The Ministry of Communications and Transport shall prohibit the provision of bunkering services, as well as the provision of fuel or the supply of that or other services, if it has information that provides reasonable grounds to believe that Iranian-owned or -contracted vessels, including chartered vessels, are carrying items the supply, sale, transfer, or export of which is prohibited by the relevant Security Council resolutions.

This requirement is fulfilled on the basis of article 8, sections II, VII, IX, XIII and XVI, and article 9, section VI, of the Navigation and Maritime Trade Act; article 36, section XIV, of the Federal Civil Service Organization Act; and article 28, sections I and XXI, of the rules of procedure of the Ministry of Communications and Transport.

Financial and banking services

> "23. *Calls upon* States to take appropriate measures that prohibit in their territories the opening of new branches, subsidiaries, or representative offices of Iranian banks, and also that prohibit Iranian banks from establishing new joint ventures, taking an ownership interest in or establishing or maintaining correspondent relationships with banks in their jurisdiction to prevent the provision of financial services if they have information that provides reasonable grounds to believe that these activities could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems."

The National Banking and Securities Commission has indicated that, to date, there are no plans to open new branches, subsidiaries, or representative offices of Iranian banks in Mexico, nor are there plans or pending requests from Iranian banks to establish new joint ventures or to take an ownership interest in Mexican banks.

Furthermore, pursuant to article 7 of the Credit Institutions Act, the National Banking and Securities Commission is responsible for authorizing the establishment in Mexican territory of representative offices of foreign financial entities. On the basis of article 8 of the same Act, the authorization of the federal Government is necessary for a financial institution to carry out various banking activities in Mexico and such permission is granted on a discretionary basis.

The National Banking and Securities Commission has taken note of resolution 1929 (2010) and its annexes with a view to incorporating them into the valuation process within its pruden. ·l functions.